

## **ORDINANCE NO. 04-1012**

AN ORDINANCE of the City Council of the City of SeaTac, Washington amending Chapter 3.20 of the SeaTac Municipal Code, subtitled Real Estate Excise Tax, and imposing an additional one-quarter of one percent Real Estate Excise Tax.

**WHEREAS**, pursuant to Chapter 3.20 of the SeaTac Municipal Code, the City currently imposes an excise tax on the sale of real property in the City at a rate of one-quarter of one percent of the selling price for the purpose of financing capital projects specified in the capital facilities plan element of the City's comprehensive plan, the proceeds from which are placed in the municipal capital improvement fund as authorized by RCW 82.46.010; and

**WHEREAS**, the 1990 State Legislature authorized cities that are required to plan pursuant to the Growth Management Act to impose an additional excise tax on each sale of real property in the City at a rate not exceeding one-quarter of one percent of the selling price for the purpose of financing capital projects specified in the capital facilities plan element of the City's comprehensive plan, as authorized by RCW 82.46.035;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON, DO ORDAIN as follows:**

**Section 1.** Chapter 3.20 of the SeaTac Municipal Code is hereby amended to read as follows:

### **Chapter 3.20 REAL ESTATE EXCISE TAX**

#### **Sections:**

- 3.20.010 Imposition of real estate excise tax.**
- 3.20.020 Rate of tax imposed.3.20.025 Additional excise tax imposed.**
- 3.20.030 Taxable events.**
- 3.20.040 Consistency with State tax.**
- 3.20.050 Use of tax proceeds.**
- 3.20.060 Seller's obligation.**
- 3.20.070 Lien provisions.**

- 3.20.080 Payment and collection.**
- 3.20.090 Date payable.**
- 3.20.100 Excessive and improper payments.**
- 3.20.110 Collection and enforcement authority.**

### **3.20.010 Imposition of real estate excise tax.**

Pursuant to authorization of RCW 82.46.010, there is hereby imposed an excise tax on each sale of real property within the corporate limits of the City.

### **3.20.020 Rate of tax imposed.**

The rate of the tax imposed by Section 3.20.010 shall be one-quarter of one percent of the selling price on each sale of real property.

### **3.20.025 Additional excise tax imposed.**

Pursuant to RCW 82.46.035, there is hereby imposed an additional excise tax on the sale of real property constituting a taxable event as defined in RCW 82.45 and occurring within the corporate limits of the City of SeaTac. The rate of the additional excise tax imposed under this section shall be one-quarter (1/4) of one (1) percent of the selling price on real property upon which this tax is imposed by this section.

### **3.20.030 Taxable events.**

Taxes imposed by this Chapter shall be collected from persons who are taxable by the State under Chapter 82.45 RCW, and Chapter 458-61 WAC, upon the occurrence of any taxable event, as defined therein, within the corporate limits of the City.

### **3.20.040 Consistency with State tax.**

The taxes imposed by this Chapter shall comply with all applicable rules, regulations, laws and court decisions regarding real estate excise taxes imposed by the State under Chapter 82.45 RCW, Chapter 82.46 RCW, and Chapter 458-61 WAC. The provisions of those chapters, as now or hereafter amended, shall apply as though fully set forth herein.

### **3.20.050 Use of tax proceeds.**

A. All proceeds received by the City from the taxes imposed by Section 3.20.010 shall be placed in a municipal capital improvement fund. Pursuant to RCW 82.46, these capital improvement funds shall be used by the City for financing capital projects specified in the capital facilities plan element of the City's comprehensive plan. For purposes of this section, capital project shall have the same meaning as defined in RCW 82.46.010, as now or hereafter amended.

B. All proceeds received by the City from the taxes imposed by Section 3.20.025 shall be placed in a municipal capital improvement fund. These capital improvement funds shall be used by the City for financing capital projects, as specified in the capital facilities plan element of the

City's comprehensive plan. For purposes of this section, capital project shall have the same meaning as defined in RCW 82.46.035, as now or hereafter amended.

### **3.20.060 Seller's obligation.**

The taxes imposed by this Chapter are the obligation of the seller and may be enforced through an action of debt against the seller or in the manner prescribed by the foreclosure of mortgages, without necessity for an election of remedies.

### **3.20.070 Lien provisions.**

The taxes imposed by this Chapter, and any interest or penalties thereon, are a specific lien upon each piece of real property sold from the time of sale until the tax is paid, which lien may be enforced in the manner prescribed for the foreclosure of mortgages.

### **3.20.080 Payment and collection.**

The taxes imposed by this Chapter shall be paid to and collected by the Treasurer of King County. The Treasurer of King County shall act as agent for the City. The Treasurer for King County shall cause a stamp evidencing satisfaction of the lien to be affixed to the instrument of sale or conveyance, prior to its recording or to the real estate excise tax affidavit, in the case of used mobile home sales. A receipt issued by the Treasurer of King County, for payment of the tax imposed by this Chapter shall be evidence of the satisfaction of the lien imposed in Section 3.20.070 hereof and may be recorded in the manner prescribed for recording satisfaction of mortgages. No instrument of sale or conveyance evidencing a sale subject to the tax may be accepted by the King County Department of Records and Elections for filing or recording until the tax is paid and the same affixed thereto; in case the tax is not due on the transfer, the instrument shall not be accepted until suitable notation of this fact is made on the face of the instrument by the Treasurer of King County.

### **3.20.090 Date payable.**

The tax imposed under this chapter shall become due and payable immediately at the time of sale and, if not so paid within thirty (30) days thereafter, shall bear interest and penalties pursuant to RCW 82.45, RCW 82.46 and all other applicable laws.

### **3.20.100 Excessive and improper payments.**

If, upon written application by a taxpayer to the King County Treasurer for a refund, it appears a tax has been paid in excess of the amount actually due, or upon a sale or other transfer declared to be exempt, such excess amount or improper payment shall be refunded by the King County Treasurer to the taxpayer; provided, that no refund shall be made unless the State has first authorized the refund of an excessive amount or an improper amount paid, unless such improper amount was paid as a result of a miscalculation. Any refund made shall be withheld from the next monthly distribution to the City.

### **3.20.110 Collection and enforcement authority.**

The City is authorized and directed to enter into a contract with King County for administration, collection and enforcement of the real estate excise tax.

**Section 2.** The City Clerk shall, within five (5) days of passage, transmit a true and correct copy of this Ordinance to the King County Treasurer. It is the intent of the City Council for the King County Treasurer to collect the additional Real Estate Excise Taxes levied by the Ordinance sixty (60) days after the City Clerk provides a copy of this Ordinance to the County Treasurer.

**Section 3.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances shall not be affected.

**Section 4.** This Ordinance shall be in full force and effect five (5) days after passage and publication as provided by law.

**ADOPTED** this 13th day of July, 2004, and signed in authentication thereof on this 13th day of July, 2004.

**CITY OF SEATAC**

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Frank Hansen, Mayor

ATTEST:

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Judith L. Cary, City Clerk

Approved as to Form:

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Mary E. Mirante Bartolo, City Attorney

[Effective Date: \_\_\_\_\_]

[Real Estate Excise Tax]